VIRGINIA DEPARTMENT OF TAXATION
www.tax.virginia.gov

Business e-File Guide and Test Package for Software Developers and Transmitters
Tax Year 2012/Processing Year 2013

Rev. 10/2012

TABLE OF CONTENTS

Purpose Of Publication

This publication provides information for returns e-filed through the e-File system. To develop software for use with the e-File system, Software Developers and Transmitters should use the guidelines provided in this publication along with the Extensible Markup Language (XML) Schemas published on http://www.tax.virginia.gov/site.cfm?alias=TaxProfessionals#Software. To provide participating software developers of Virginia corporate income tax returns, the required test criteria for acceptance into the Virginia Corporate e-File Program.

Virginia Contact Directory

TOPIC	SERVICES OFFERED	CONTACT INFORMATION
CUSTOMER SERVICES	Taxpayer Assistance M-F, 8:30 a.m. - 4:30 p.m.	804-367-8037
TAX PROFESSIONAL HOTLINE	Tax Professional Assistance M-F, 8:30 a.m. - 4:30 p.m.	804-367-9286
CORPORATE E-FILE HELP DESK	Fed/State e-File Software Developer, Tax Professional, and ERO Assistance	bus_efile@tax.virginia.gov
VATAX ON-LINE	Electronic Return Payments Electronic Bill Payments Tax Information	*www.tax.virginia.gov*

Virginia e-File Calendar for Tax Year 2012

ATS testing begins (in conjunction with the IRS)   November 5, 2012

Begin transmitting returns to IRS/Virginia   January 7, 2013

Note: Virginia follows the IRS e-File calendar. The dates are based upon the IRS System availability and are subject to change.

e-Alerts

Virginia e-Alerts is a free online service that provides up-to-date information on events that affect e-file throughout the filing season and beyond. Sign up for e-Alerts at http://www.tax.virginia.gov

e-File Page

Corporate e-File Page available at http://www.tax.virginia.gov/site.cfm?alias=corporateefile provides information and updates to e-File stakeholders.

Virginia Fed/State e-File Program

Virginia's Corporate e-File program works with the IRS Federal/State 1120 e-File program. This allows Providers to file both federal and state returns electronically for the taxpayer. In addition to accepting federal and state corporate income tax returns electronically in a single transmission, State Only returns are also accepted.

Like a paper tax return, an e-File tax return consists of a series of tax forms, schedules, and attachments that can be submitted. A consolidated return includes the consolidated return, the parent return, and one or more subsidiary returns in addition to their respective forms, attachments, and schedules.

The tax return uses schemas which are created using Extensible markup Language (XML.) This language defines the structure and content of an XML document to implement all forms, schedules and attachments in electronic format for e-File. Business rules are created to specify requirements that cannot be defined in the XML.

Corporate e-File program will start accepting production corporate income tax returns on January 7, 2013. This date is based upon IRS System availability and is subject to change.

Types of Filing
Virginia's Corporate e-File program accepts two kinds of submissions:

Linked
Linked filing is when the federal and state returns are filed together in one transmission to the IRS. The IRS validates and verifies the federal return data. The IRS will either accept or reject the federal return. The state return is made available to Virginia only if the federal return is accepted by the IRS.

Note: If a federal return is rejected in a Linked submission, the state return is not made available to Virginia. In this case, the retransmission should include both the federal return and the state return.

Unlinked
Unlinked filing is when the state return is transmitted through the Fed/State system without simultaneously transmitting an original federal return. The software must support unlinked filing in order for the state only transmissions to be available to the electronic filer. Unlinked returns are transmitted to the IRS and made available for states to retrieve in the same fashion as the Linked transmission. The federal return must be completed, transmitted and accepted by the IRS before transmitting/re-transmitting an unlinked return.

Note: Virginia requires a copy of the complete federal return, including federal binary attachments, in the state submission

Supported Forms

The Virginia schemas will be used in conjunction with IRS Federal/State 1120 schemas. Virginia's state specific schemas support the forms and schedules listed below.

- **Form 500** - Virginia Corporate Income Tax Return

- **Schedule 500AB** - Schedule of Related Entity Add Backs and Exceptions

- **Schedule 500AC** - Schedule of Affiliated Corporate Consolidated and Combined Filers

- **Schedule 500ADJ** - Schedule of Adjustments

- **Schedule 500A** - Multistate Corporate Allocation and Apportionment of Income

- **Schedule 500CR** - Credit Computation Schedule

- **Schedule 500FED** - Schedule of Federal Line Items

- **Form 500C** – Underpayment of Virginia Estimated Tax

- **Form 500T –** Telecommunications companies Minimum Tax

- **Form 500EL –** Electric Suppliers Corporation Minimum Tax and Credit Schedule

Current and Prior Tax Years Accepted

Virginia's e-File program will accept Tax Years 2012, 2011 and 2010 original returns for Form 500 and 2012 and 2011 amended returns.

Perfection Periods for Rejected Submissions

Virginia does not allow the IRS return perfection period. A return must be transmitted and accepted by the due date of the return to be considered timely filed.

Electronic Postmark

A Transmitter may provide an electronic postmark to taxpayers that file Tax Returns through an ERO or through an Online Provider (Online Filing). The Transmitter creates the electronic postmark bearing the date and time, GMT time format, (in the Transmitter's time zone) that the return is received at the Transmitter's host computer.

If the electronic postmark is on or before the prescribed deadline for filing but the Department receives the return after the prescribed deadline for filing, the Department treats the return as timely filed if the electronic postmark is after the prescribed deadline for filing, the Department treats the returns as being filed late. If the electronic postmark is not available then the IRS received date is used.

Validating Tax Returns

Once the transmission file passes validation, the e-File program validates the submissions contained in the file. Submission validation consists of two parts: schema validation and business rule validation.

Schema Validation

Schemas provide the basic definition for elements –field length, data type, allowable values, etc. Data integrity depends on each data element complying with the data format specifications. The e-File program verifies this by validating each return in the transmission file against the schemas.

There are 4 Virginia schema validation business rules.

VAFORMS-002 – The PDF Files cannot be found in the submission.

VAFORMS -003 – The documentId could not be found in the submission.

VAFORMS -004 -- Document does not pass the schema validation.

VAFORMS -005—IRS information is missing.

Business Rule Validation

The e-File program uses a business rule engine to validate returns against the rules. When a rule with severity "reject and stop", or "reject" is violated, an error is generated. Errors result in a rejected return. As submissions are validated, the acknowledgements are made available to the transmitter for retrieval. The complete listing of business rules for Tax Year 2012 can be found in the Appendix A of this document.

IRS Routine Maintenance

The IRS schedules routine maintance generally on Sunday from 1:00 am to 7:00 am, Eastern Time. This process may result in intermittent down time for transmitters. Work scheduled during this window will generally not be communicated to the software developers. For more information about system status and possible delays, refer to the IRS e-File Status page or corporate e-File page

Legislative Changes for Tax Year 2012

Corporation Electronic Filing Mandate

The 2012-2014 Appropriations Act (273 of HB 1301 - Acts of Assembly 2012 Special Session I, Chapter 3), effective January 1, 2013, requires all corporations to file estimated tax payments and their annual income tax return and final payment using an electronic medium in a format prescribed by the Tax Commissioner. Accordingly, for taxable years beginning on or after January 1, 2012, corporations must file and make return payments electronically. Estimated tax payments must be made electronically for taxable years beginning on or after January 1, 2013. Waivers may be granted only if the Tax Commissioner finds that this requirement creates an unreasonable burden on the corporation. All requests for waiver are to be submitted to the Tax Commissioner in writing. FAX waiver requests to: **804-367-3015**

Retail Companies Apportionment

For taxable years beginning on or after July 1, 2012, but before July 1, 2014, retail companies are required to determine their Virginia taxable income by using an apportionment formula with a triple-weighted sales factor. A single sales factor apportionment formula will be phased in over a three-year period beginning as a triple-weighted sales factor, followed by a quadruple-weighted sales factor, and then a single sales factor for taxable years beginning on and after July 1, 2015. See Schedule 500A instructions for further information and qualifications.

Telework Expenses Tax Credit

House Bill 551 and Senate Bill 238 extend the telework expenses tax credit to January 1, 2017. An employer shall be allowed an income tax credit for eligible telework expenses incurred during the calendar year that ends during the taxable year. The amount of the credit cannot exceed $50,000 per employer for each calendar year. To claim a credit for the 2013 taxable year, taxpayers must have submitted a credit reservation application, Form TEL-1, between September 1 and October 31 2012. Visit http://www.tax.virginia.gov for more information.

New Addition Code 18 – Telework Expenses

Corporations that claim the Virginia Telework Expenses Tax Credit are not allowed to exclude those expenses from Virginia taxable income. To the extent excluded from federal taxable income, any expenses incurred by a taxpayer in connection with the Telework Expenses Tax Credit must be added to the Virginia return.

New Subtraction Code 62 – Historic Rehabilitation

To the extent included in federal taxable income, any amount of gain or income recognized by a taxpayer in connection with the Historic Rehabilitation Tax Credit is allowed as a subtraction on the Virginia return.

Advancement of Virginia's Fixed Date Conformity with the Internal Revenue Code

Virginia's date of conformity with the Internal Revenue Code (IRC) was advanced from December 31, 2010, to December 31, 2011, with limited exceptions. Virginia will continue to disallow federal income tax deductions for the 30% and 50% bonus depreciation allowed for certain assets and the five-year carryback of federal net operating loss deductions generated in taxable years 2008 or 2009. Also, Virginia will continue to disallow the income tax deductions related to applicable high yield discount obligations under IRC § 163(e)(5)(F). In addition, fixed date conformity adjustments continue to be required for Cancellation of Debt Income under IRC § 108(i), and the domestic production deduction under IRC § 199. At the time these instructions went to print, the only required adjustments for "fixed date conformity" were those mentioned above. However, if federal legislation is enacted that results in changes to the Internal Revenue Code for the 2012 taxable year, taxpayers will be required to make adjustments to their Virginia returns that are not described in the instruction booklet. Information about any such adjustments will be posted on the Department's website at **www.tax.virginia.gov**.

Virginia's e-File Requirements for Software Vendors

Purpose

This section provides special guidance for the vendors to handle the important changes made by Virginia for Tax Year 2012. ***Vendors are required to follow these guidelines.***

Software Design Information

Software Developers including developers acting as EROs must:
- Develop tax preparation software according to statutory requirements and Virginia tax return preparation instructions.
- Provide accurate Virginia Corporate income tax returns in correct electronic format for transmission through the Fed/State e-File program.
- Develop software capable of producing a printed copy of the complete electronic filing.
- Provide up-front data validation, verification, and error detection to prevent trans-missions of incomplete, inaccurate or invalid return information.
- Prevent electronic filing of any form not approved and/or supported for electronic filing by Virginia.

Corporation Electronic Payment Requirement

Effective with Taxable Year 2012 returns, all corporations must pay the tax due payment through the e-File system as a direct debit or with an ACH Credit established through the corporation's bank.

New Required Element in Schema

Effective for tax year 2012, Virginia has added required element, <FederalForm> with 2 choices <Attaching XMLChkbx> & <AttachingPDFChkbx> to identify if the federal form is attached as a XML or a PDF. Child element <AttachingPDFChkbx> has a required attribute, referenceDocumentID in the schema. As a reminder, the 2 checkboxes are not located on the tax form as an element but are schema requirements.

Note: Virginia requires a copy of the complete federal return, including federal binary attachments, in the state submission.

PDF attachments to Form 500

- The tax return computation documentation is required when the combined checkbox is checked on page one, Form 500
- A completed 500A is attached for each entity included in the combined filing when the Manufacturer's modified apportionment method (500A) is elected and the combined checkbox is checked
- The Nonapportionable Investment Function net Income and Loss requires a statement(s) (applicable only to multistate corporations) Lines 8c and 8d, Form 500.
- IRS final determination is required when the Federal Audit checkbox on page one Form 500 is checked
- The federal form when not supported as a XML by the IRS.

Schedule 500CR PDF Attachments

The PDF attachment(s) for credits requiring documentation is optional. Even though the PDF attachment(s) has been made optional, the PDF is still required. A missing document letter requesting the document in paper format will be sent out to the users if the credits on Schedule CR (listed below) are claimed and PDF attachment(s) are not attached to the Virginia Return. This will delay the processing of the return and the credit could be denied.
- **Enterprise Zone Act Credit** – Attach Form 301
- **Recyclable Materials Processing Equipment Credit** – Approval Form 50-11S from the Department of Environmental Quality as well as receipts, invoices or other documentation to confirm purchase price paid.
- **Conservation Tillage Equipment Credit** – Statement showing purchase date, description and credit computation.
- **Vehicle Emissions Testing Equipment Credit** – Copy of the letter from the Department of Environmental Quality (DEQ) to the equipment vendor certifying that the equipment configuration meets the regulation and equipment specification requirements for use in the enhanced vehicle emissions inspection program.
- **Foreign Source Retirement Income Tax Credit** – Copy of the tax return filed in the other country or other proof of income tax paid to the foreign country and a schedule showing computation of foreign currency converted to United States Dollars.

- **Waste Motor Oil Burning Equipment Credit** – Approved form 50-12 from the Department of Environmental Quality, receipts, invoices or other documentation to confirm purchase price paid.
- **Biodiesel and Green Diesel Fuels Tax Credit** – Attach the letter of certification from the Virginia Department of Taxation authorizing the credit.
- **Coalfield Employment Enhancement Tax Credit and Virginia Coal Employment and Production Incentive** – Form 306 with completed schedules, if appropriate. See "What to Attach" on the instructions for Form 306 for additional attachment requirements and information.

Virginia approved software vendors are required to provide a message to the users claiming the listed credits on Schedule 500CR and not providing the PDF attachment(s) that the processing of the return could be delayed or the credit could be denied.

Required Documents

Additional documents *Virginia approved software vendors MUST produce are*:

<u>**Form VA-8879C**</u> – Virginia Corporate Income Tax e-File Signature Authorization.

This form must be completed when a corporate electronic return is being signed using the Practitioner PIN method. Both the taxpayer(s) and ERO must sign Form VA-8879C. When the Practitioner PIN Method is used, Form VA-8879C takes the place of Form VA-8453C. By signing this form, the taxpayer authorizes the ERO to enter the taxpayer's personal identification number on the e-filed income tax return. This form should be retained *either in the electronic format or the paper format* by the ERO for a minimum of three years from the due date of the return or the file date, whichever is later. This form is available on the Virginia Tax website page for Tax Professionals.

<u>**Form VA-8453C**</u> – Virginia Corporate Income Tax Declaration for Electronic Filing.

Form VA-8453C is *required only when the PIN option is NOT utilized*. Form VA-8453C is the state signature and authorization form. *Unless the PIN option is utilized*, Form VA-8453C must be completed and signed by all appropriate parties before the return is transmitted electronically.

Displayed Acknowledgement Error message

Starting Tax Year 2012, Virginia will provide the Acknowledgement Error Message for each reject.

Virginia approved software vendors MUST mirror image the provided Acknowledgement Error Message for each reject while sending it back to the taxpayers. The complete listing of Acknowledgement Error Message for Tax Year 2012 can be found in Appendix B of this document.

Manifest Values

The state manifest *must match the Government Code, State Submission Type and Submission Category listed below.*

Government Code	State Submission Type	Submission Category
VAST	VA500	CORP

Software Developer Questionnaire

Prior to the beginning of testing, Software developers are required to fill out a questionnaire (Appendix C) informing of all limitations to its software package.

Note: If a software developer initially tested with the limitations and later decided to support additional forms or schedules not included in the initial testing, the software developer MUST inform the Virginia Electronic Filing Administrator at bus_efile@tax.virginia.gov to update its Questionnaire. The added forms or schedules must successfully pass testing before moving to Production.

Software Errors

Software errors that cause rejections to return submissions after approval **MUST** be addressed timely with immediate communications and update release to the software users.

Transmission Requirements

An Authorized e-file Provider participating in Virginia e-file as a Transmitter MUST:

- Retrieve the acknowledgement file within two work days of transmission;
- Match the acknowledgement file to the original transmission file and send the acknowledgement file containing all conditions on accepted returns to the Electronic Return Originator (ERO) or Intermediate Service Provider within two work days of retrieving the acknowledgement file;
- Retain an acknowledgement file until the end of the calendar year in which the electronic return was filed;
- Immediately contact the Corporate e-file helpdesk at bus_efile@tax.virginia.gov for further instructions if an acknowledgment of acceptance for processing has not been received within two work days of transmission;

- Promptly correct any transmission error that causes an electronic transmission to be rejected;
- Ensure the security of all transmitted data;
- Ensure against the unauthorized use of its Electronic Filing Identification Number (EFIN) or Electronic Transmitter Identification Number (ETIN).

The Transmitter must notify the taxpayer of the following if the Virginia Department of Taxation accepts the electronic portion of a taxpayer's return:

- The date the transmission was accepted
- The Submission ID

The Transmitter must notify the taxpayer of the following if the Virginia Department of Taxation rejects the electronic portion of a taxpayer's return:

- That the Virginia Department of Taxation rejected the taxpayer's electronic return;
- The date of the rejection;
- The reject code(s) means;
- What steps the taxpayer needs to take to correct the errors that caused the rejection; and
- If the taxpayer chooses not to have the electronic return corrected and transmitted to the Virginia Department of Taxation, or if the Virginia Department of Taxation cannot accept the return for processing, the taxpayer must file a timely paper return.

A Transmitter that receives returns from an Intermediate Service Provider for Online Filing must adhere to the same requirements as a Transmitter that transmits ERO returns received from Intermediate Service Providers.

Additional Requirements for Transmitters Participating in Online Filing

A Transmitter that participates in Online Filing must follow all of the requirements listed in the section above and must:

When participating in Online Filing, the Transmitter must:

- Ensure the transmission includes their assigned Online Filing EFIN in the appropriate field in the electronic return data;
- Ensure that the Intermediate Service Provider's EFIN is included in the electronic return data, when applicable;
- Assign a Submission ID to the electronic portion of each return received from a taxpayer;
- Include the assigned Submission ID in the transmission of the electronic return data;
- Notify the taxpayer of the status of a return by sending an electronic transmission to the taxpayer or the Intermediate Service Provider, when applicable, within two work days of retrieving the acknowledgement file or by mailing a written notification to the taxpayer within one work day of retrieving the acknowledgement file;
- Provide the Internet Protocol (IP) Information (IP Address, IP Date, IP Time and IP Time Zone of the computer the taxpayer uses to submit the return);
- Include the "Online" in the "Originator Type Code" element of schema.

PDF – Binary Attachments

Virginia requires certain supporting documentation for items on the return to be sent as PDF attachments. The Reference Document ID attribute should be used to link the attachment to the appropriate location on the return. All PDF attachments must be listed in the binary attachment portion of the return. Taxpayer must either have a scanner that allows them to scan documents into a PDF file or another tool such as a version of Microsoft Office 2007 that allows them to save a Word or Excel file into a PDF format.

Note: Approved e-file tax preparation software MUST provide the necessary instructions for creating, scanning or exporting documents in PDF format and submitting these documents as attachments that are required by Virginia.

Names and Descriptions for PDFs

For all PDF attachments, the tax preparation software must provide taxpayer the ability to enter a meaningful description. When multiple forms or attachments are required, the taxpayer should provide the option to put all like-kind statements or forms in one PDF file or create a separate PDF file for each statement or form. For example, if three out of state returns are needed, they may all be included in one PDF file or each separate out of state return may be sent in a separate PDF file.

Attach a PDF File

To attach a PDF file, create the PDF file using any available tool. When creating a PDF file for the submission, it is important to adhere to the following guidelines:

- Do not password protect or encrypt PDF attachments submitted through e-File.
- Keep binary attachments as small as possible. By exporting a document to create the PDF, it makes for a much smaller file than scanning one in. The IRS needs a readable PDF using any compatible software that creates a PDF file.
- Avoid requiring compatibility with Adobe Acrobat versions earlier than version 8. Making the PDF file compatible with earlier versions will increase the size of the file.
- Move the compression/quality slider on the "Create PDF From Scanner" to higher compression to lower the size of the file when the source document is of adequate quality and from scanner input.
- Each individual PDF cannot exceed 60 megabytes uncompressed.
- Each PDF must start with %pdf- and end with %%EOF. The return will reject if the PDF is not properly formatted. (All software that creates PDFs will automatically start a PDF with %pdf- and end the PDF with %%EOF. This error condition will only occur if action is taken by the submitter to alter a PDF outside of the product that creates the PDF)

Create the PDF file

In the Submission data that describes the PDF file. One Binary Attachment XML document must be created for each binary attachment. There is a one-to-one relationship between the PDF file and the Binary Attachment XML document that describes it. To create the Binary Attachment XML document, provide the PDF file with a name, including the extension, in the "AttachmentLocation" element and a brief meaningful and unique description of the contents of the file in the "Description' element.

PDF File Name - The name of the PDF file must EXACTLY match the name provided in the "AttachmentLocation" element and is case sensitive. The schema for the Binary Attachment document is defined in the file named "BinaryAttachment.xsd".

"Description" element in the Binary Attachment XML document - The "Description" element in the BinaryAttachment.xsd cannot exceed 128 characters. It is important to make this as meaningful as possible because the Description is what will display to the IRS User to identify the contents of the binary file.

Create reference - If any**,** from the element(s) to which the PDF file is "attached" to the "Binary Attachment XML document." If the PDF file is to be attached to an element for a line, form, or schedule, create a reference from the element to the Binary Attachment XML document.

Include the number of binary attachments in the submission - In the binaryAttachmentCount attribute, which is used to indicate the number of binary attachments in the return, of element ReturnHeader.

Include the PDF file in the attachment folder - In the submission zip. Like-kind binary attachments should be placed adjacent to each other in the submission data XML.

A Sample non-XML document attached to the Submission

Any node defined in the schema whose type begins with 'VARef' must have attached documentation. Any node defined in the schema whose type begins with 'VARef' must have an attribute called 'referenceDocumentId'. Any Binary Attachment node must have an attribute called 'documentId'. The referenceDocumentID attribute value must match exactly the value of the attribute called 'documentId' in a Binary Attachment node in the return XML. If not, it will fail schema validation. The documentId's used must be unique.

Example:

> documentId="1"
> documentId="2"
>
> Or
> documentId="PDFAttach1"
> documentId="PDFAttach2"

The "AttachmentLocation" element in the Binary Attachment node in the return XML contains the name of the PDF file. The file name is case sensitive and must exactly match the name of the file attached to the submission. If not, it will fail the schema validation.

Use the following guideline to include binary attachment(s).

- Include the total number of binary attachment(s) in the binaryAttachmentCount attribute in the ReturnHeader element.

- **<ReturnHeaderState binaryAttachmentCount="1">**

   Example of binary attachment linking an element:

```
<Sch500CR>
<AgriculturalBestMgmtPractices>
<AgCarryOCredFrmPriorYr>932</AgCarryOCredFrmPriorYr>
<AgQualCredAndCarryOAvail>932</AgQualCredAndCarryOAvail>
<AgCredAllow referenceDocumentId="U7">932</AgCredAllow>
</AgriculturalBestMgmtPractices>
</Sch500CR>
</ReturnDataState>

<BinaryAttachment documentId="U7">
<Reference>AGRICULTURAL BEST MA</Reference>
<DocumentType>PDF</DocumentType>
<Description>AGRICULTURAL BEST MANAGEMENT CERTIFICATE</Description>
<AttachmentLocation> AGRICULTURAL BEST MANAGEMENT
CERTIFICATE.PDF</AttachmentLocation></BinaryAttachment>
```

A file named AGRICULTURAL BEST MANAGEMENT CERTIFICATE.PDF must be attached to the state submission. If not; the submission will fail schema validation.

e-File Software Acceptance, Testing and Approval Guidelines

This section will include information for electronic filers testing corporate returns through the e-File platform (Assurance Testing System, ATS.) It includes 15 test scenarios meeting the required test criteria, based on the currently approved Virginia schemas, for acceptance into the Corporate Fed/State e-File Program. It is not required that software provide for all forms or schedules, nor for all occurrences of a particular form or schedule. To schedule testing, send an e-mail to the Virginia Electronic Filing Administrator at the bus_efile@tax.virginia.gov mailbox prior to submitting tests.

Test returns must be transmitted through the IRS ATS System. Virginia requires a copy of the complete federal return in the state submission, including binary attachments. The transmission method is a Web Service using Simple Object Access Protocol (SOAP) with attachment messaging. Return data will be formatted using Extensible Markup Language (XML.) Each return should be in a separate submission and multiple submissions may be within a single message payload.

Software developers will be notified of the test results and approval by email.

Who Is Required To Test

Tax software developers and transmission software developers planning to participate in the Virginia Corporate eFile Program must test before production corporate income tax returns can be sent to Virginia.

Purpose For Testing

The purpose of testing prior to live processing is to ensure that the following conditions are met:
- Software is correctly formatted
- Schemas agree with Virginia specifications
- Edits agree with Virginia specifications
- Electronic submissions are retrieved and processed correctly
- Transmitters retrieve responses from e-File including acknowledgement files

When Can Test Submissions Be Transmitted

Test submission to Virginia is scheduled to begin November 5 2012. This is subject to change depending on IRS ATS system availability. Software developers may transmit test returns for tax year 2012 until IRS e-File system shut down.

What Is Tested

This test package contains the test scenarios for the test returns to be submitted for product approval. Defined are 15 Virginia corporate income tax returns consisting of a variety of attachments and schedules. Although it is strongly urged that your company supports the Virginia corporate income tax form (Form 500) in addition to all schedules (Schedules 500A, 500AB, 500AC, 500ADJ, 500CR, 500FED and 500C), the test scenarios may be submitted with

adjustments for those schedules not supported. For example, you may omit credit(s) on the return from Schedule 500CR if the Schedule 500CR is not supported.

Software developers should notify Virginia if interested in testing additional conditions. While testing of additional conditions are permitted, software developers must use test FEINs outside the test FEINs used for the test scenarios included in this publication. Test FEINs that may be used for Virginia test submissions are 11-0000000 through 11-0000199.

Transmitting Test Submissions

Software developers should email the Business eFile Help Desk at bus_efile@tax.virginia.gov prior to testing and provide the following information.

- Company name
- Contact person
- Email address
- Voice telephone number
- Software limitations

Returns must be transmitted through the IRS e-File System. Both Linked returns and Unlinked returns can be submitted through the IRS Federal/State System. **Virginia requires a copy of the complete federal return in the state submission, including binary attachments.** Each return should be in a separate submission and multiple submissions may be within a single message payload.

Acknowledgements On Test Submissions

Virginia will send acknowledgements to the IRS e-File Federal/State Acknowledgement System in the format defined by the IRS Acknowledgement schema for both testing and production.

Unless the software developer is the Electronic Return Originator (ERO,) the software developer is responsible for providing the Virginia acknowledgements to the ERO within two days after receipt of the acknowledgement.

Software errors that cause rejections to return submissions after product approval should be addressed timely with immediate communications and product update releases to the software users.

Software Approval

For final approval, the software vendor must transmit all test returns in one single transmission without errors. The software vendor must confirm receipt of the state acknowledgements.

If a software developer initially tested with the limitations and later decided to support additional forms or schedules not included in the initial testing, the software developer must inform the Virginia Electronic Filing Administrator at bus_efile@tax.virginia.gov. The added forms or schedules **MUST** successfully pass testing before moving to Production.

Virginia Corporate Test Scenarios

Test Scenario #1

FEIN 11-0000001

File a fiscal tax year consolidated Virginia corporate return, Form 500, with a name change and Schedule 500A attached with Section A Line 1 populated There are Fixed-Date Conformity Additions and Subtractions, Code 62 (Historic Rehabilitation) and Code 60 (Gains from Land Preservation) and Code 61 (Long-term Capital Gain), reported on Schedule 500ADJ. There are Historic Rehabilitation Tax Credit, Part XII and Recyclable Materials Processing Equipment Credit, Part VII of Schedule 500CR. There are 14 affiliates filing in the consolidated Virginia return Form 500. The taxpayer made estimated payments and the return results in an overpayment with 25% of the overpayment applied to next year's estimated tax and 75% refunded.

Forms to include:

> Form 500
> Schedule 500ADJ
> Schedule 500A
> Schedule 500AC
> Schedule 500CR
> Schedule 500FED
> Form 1120
> Binary Attachment
> > Recyclable Materials Processing Equipment Credit

Test Scenario #2

FEIN 11-0000002

File a Virginia corporate return with a filing status of a separate Virginia corporate return, Form 500, for a corporation who files a consolidated fiscal year federal return with a mailing address change. The Schedule 500A is attached and the taxpayer has elected to apportion Income using the Manufacturer's Modified Apportionment Method. There are Additions to Federal Taxable Income, Code 05 (Accumulation Distribution under Section 667 of the IRC); Code 10 (Interest or Dividends, Less Related Expenses to the Extent Not Deducted in Determining Federal Taxable Income, on Obligations or Securities of any Authority, Commission or Instrumentality of the United States); Code15 (Cancellation of Debt Income) and Code 99 (Other Additions). There are Telework Expenses Tax Credit, Part XXIX and Low Income Housing Credit, Part XIV of the Schedule 500CR. The return results in a balance due which includes interest and/or penalty for the underpayment of estimated Virginia income tax. The payment is being made using direct debit with the warehouse date provided by the taxpayer. The return is being filed before the due date.

    Forms to include:

    Form 500
    Schedule 500ADJ
    Schedule 500A
    Form 500C
    Schedule 500CR
    Schedule 500FED
    Form 1120

Test Scenario #3

FEIN 11-0000003

File a combined Virginia corporate return, Form 500, for a corporation who files a fiscal tax year consolidated federal return with a change in the accounting period. Schedule 500A is attached. There are 13 affiliates. There is negative taxable income with an Addition modification, Interest on state obligations other than Virginia, Section A, Line 5 of Schedule 500ADJ. There are Farm Wineries and Vineyards Tax Credit, Part XXIII and International Trade Facility Tax Credit, Part XXIV of Schedule 500CR. The return results in an overpayment and the corporation has requested a refund. The combined corporation must attach the tax return computation documentation as a binary attachment to support the combined filing status.

Forms to include:

Form 500
Schedule 500A
Schedule 500CR
Schedule 500FED
Schedule 500AC
Schedule 500 ADJ
Form 1120
Binary Attachment
    Return Computation Documentation

Test Scenario #4

FEIN 11-0000004

File a Virginia multistate corporate return, Form 500, with taxable income and Schedule 500A attached. There are Additions reported in Section A, Line 3 (Taxable Addition from Schedule 500AB), Line 4 (Net Income tax and other taxes that are based on, measured by or computed with reference to net income) and Line 5 (Interest on state obligations other than Virginia) of Schedule 500ADJ. There are Port Volume Increase Tax Credit, Part XXV and Clean-Fuel Vehicle Job Creation Tax Credit, Part XI of Schedule 500CR. There are estimated payments and overpayment credit from the prior year reported. The return results in a tax due paid by direct debit.

Forms to include:

      Form 500
      Schedule 500A
      Schedule 500CR
      Schedule 500AC
      Schedule 500FED
      Schedule 500ADJ
      Schedule 500AB
      Form 1120
      Binary Attachment
            Clean-Fuel Vehicle Job Creation Tax Credit

Test Scenario #5

FEIN 11-0000005

File a fiscal tax year Virginia multistate corporate return, Form 500, with taxable income and a Schedule 500A attached. The taxpayer has elected to apportion Income using the Manufacturer's Modified Apportionment Method. The initial filer checkbox is checked. The taxpayer is reporting Nonapportionable Income on Section B, Line 3c of Schedule 500A. The corporation is filing as a Motor Carrier. There are Barge and Rail Usage Tax Credit, Part XXVI, the Major Business Facility Job Tax Credit, Part X and Livable Home Tax Credit, Part XXVII of Schedule 500CR. There is an overpayment to be applied to next year's estimated tax.

Forms to include:

> Form 500
> Schedule 500CR
> Schedule 500AC
> Schedule 500A
> Schedule 500FED
> Form 1120

Test Scenario #6

FEIN 11-0000012

File a calendar tax year Virginia corporate return, Form 500. The taxpayer is a telecommunications company and is attaching Form 500T. There are Community of Opportunity Tax Credit, Part XXI, and the Research and Development Expenses Tax Credit, Part XXVIII of Schedule 500CR. There are Additions reported in Section A, Line 1 (Fixed-Date Conformity Addition); Line 5 (Interest on state obligations other than Virginia); Line 6 (Other Additions to federal taxable income), Code 14 (One-half of the Amount of Dividends Deductible under §§ 561 and 857 of the Internal Revenue Code by a Captive Real Estate Investment Trust) of Schedule 500ADJ. The taxpayer reported estimated payments and the return results in a balance due and the taxpayer is paying by EFT (Electronic funds Transfer).

Forms to include:

> Form 500
> Form 500T
> Schedule 500CR
> Schedule 500ADJ
> Schedule 500FED
> Form 1120

Test Scenario #7

FEIN 11-0000013

File a fiscal tax year Virginia consolidated corporate return, Form 500, with taxable income. The Schedule 500A is attached and the taxpayer has elected to apportion Income using the Retail Company Sales Factor. There is Pass-Through Entity withholding for 19 pass-through entities on Line 15. The taxpayer populated Line D, Form 500, page 1 with 19. There are Clean-Fuel Vehicle and Vehicle Emissions Testing Equipment Credits, Part IX and a Research and Development Expenses Tax Credit, Part XXXII of Schedule 500CR. There are Additions to the federal taxable income, Code 18 (Telework Expenses); Code 17 (Domestic Production Deduction); Code 15 (Cancellation of Debt Income) and Code 99 (Other Additions). There are Subtractions from federal taxable income, Code 50 (The Amount of Wages and Salaries eligible for the Federal Work Opportunity Tax Credit) and Code 60 (Gains from Land Preservation). The return results in an overpayment and the corporation has requested a refund.

Forms to include:

>   Form 500
>   Schedule 500AC
>   Schedule 500FED
>   Schedule 500A
>   Schedule 500ADJ
>   Schedule 500CR
>   Form 1120
>   Binary Attachment
>   Clean-Fuel Vehicle and Vehicle Emissions Testing Equipment Credits

Test Scenario #8

FEIN 11-0000014

File a short year Virginia consolidated corporate return, Form 500, with negative federal taxable income and Schedule 500A is attached. The taxpayer populated Line A, Form 500, page 1 with $5,000.00. There are 4 payments made to related entities reported on Schedule 500AB, Part 1. There is an Addition to federal taxable income in Section A, Line 2 (Fixed Date Conformity Addition) of Schedule 500ADJ. There are Riparian Waterway Buffer Credit, Part XVIII, Land Preservation Tax Credit, Part XIX and Virginia Coal Employment and Production Incentive Tax Credit, Part XXX of Schedule 500CR. There is no overpayment or balance due on this return.

Forms to include:

    Form 500
    Schedule 500AB
    Schedule 500AC
    Schedule 500FED
    Schedule 500A
    Schedule 500ADJ
    Schedule 500CR
    Form 1120
    Binary Attachment
            Virginia Coal Employment and Production Incentive Tax Credit

---

Test Scenario #9

FEIN 11-0000015

File a fiscal tax year Virginia corporate return, Form 500. The taxpayer is an Electric Supplier and is attaching Schedule 500EL. Taxpayer is allowing the Tax Department to discuss the return with the tax preparer and has answered **Yes** on Line E, Form 500, page 1 with years 2003 and 2004 reported. There is no overpayment or balance due on this return.
Forms to include:

    Form 500
    Schedule 500EL
    Schedule 500A
    Schedule 500FED
    Schedule 500AC
    Form 1120

Test Scenario #10

FEIN 11-0000016

File a Virginia multistate corporate return, Form 500, with taxable income and Schedule 500A attached. The corporation is filing as a Construction Corporation. There is an Addition to federal taxable income in Section A, Line 2 (Fixed-Date Conformity Addition) of Schedule 500ADJ. There are Subtractions in Section B, Line 3 (Income from obligations or securities of the U. S. exempt from state income taxes but not from federal income taxes), Line 8 (Dividends received from corporations in which the recipient owns fifty percent or more of the voting stock and to the extent remaining in federal taxable income) and Line 9, Code 99 (Other Subtractions) of Schedule 500ADJ. There is an extension payment reported with an overpayment to be applied to the next year's estimated tax.

Forms to include:

> Form 500
> Schedule 500A
> Schedule 500AC
> Schedule 500ADJ
> Schedule 500FED
> Form 1120

Test Scenario #11

FEIN 11-0000017

File a calendar tax year Virginia combined corporate return, Form 500, with 6 affiliates reported and Schedule 500A attached. The taxpayer is filing as a Homeowners Association attaching 1120H as a PDF. There are Additions reported in Section A, Line 4 (Net Income tax and other taxes that are based on, measured by or computed with reference to net income) and Line 5 (Interest on state obligations other than Virginia) of Schedule 500ADJ. There are Enterprise Zone Act Credit, Part III and Motion Picture Production Tax Credit, Part XXXI of the Schedule 500CR. Estimated payments are reported and the return results in an amount due, filed late and paid by direct debit. The combined corporation must attach the tax return computation documentation as a binary attachment to support the combined filing status.

Forms to include:

        Form 500
        Schedule 500A
        Schedule 500CR
        Schedule 500AC
        Schedule 500ADJ
        Schedule 500FED
        Binary Attachment
                Return Computation Documentation
                Enterprise Zone Act Credit
                1120H

Test Scenario #12

FEIN 11-0000018

File a fiscal tax year Virginia multistate corporate return, Form 500, with negative federal taxable income and Schedule 500A attached. The Final return checkbox is populated. There are estimated payments reported. There is a refundable tax credit, Coalfield Employment and Refundable Coal Employment and Production Incentive Tax Credit reported on Line 136 of Schedule 500CR. The return results in an overpayment and the corporation has requested a refund.

Forms to include:

       Form 500
       Schedule 500A
       Schedule 500AC
       Schedule 500CR
       Schedule 500FED
       Form 1120
       Binary Attachment
           Form 306

Test Scenario #13

FEIN 11-0000019

File a 2010 Virginia corporate return, Form 500, with a filing status change. The Virginia taxable income is fully taxable (apportionment factor = 100%). There are Conservation Tillage Equipment Credit, Part IV and Neighborhood Assistance Act (NAA) Credit, Part II of Schedule 500CR. There are Subtractions reported in Section B, Line 1 (Fixed-Date Conformity Addition) and Line 5 (Refund or credit of income taxes included in federal taxable income) of Schedule 500ADJ. The return results in a balance due and the taxpayer is paying by EFT (Electronic funds Transfer).

Forms to include:

        Form 500
        Schedule 500CR
        Schedule 500ADJ
        Schedule 500FED
        Form 1120
        Binary Attachment
                Conservation Tillage Equipment Credit

Test Scenario #14

FEIN 11-0000020

File an amended 2012 Virginia corporate return, Form 500, with Federal Audit changes and Schedule 500A attached. There are changes to the Conservation Tillage Equipment Credit, Part IV of Schedule 500CR. There are changes to Subtractions reported in Section B, Line 1 (Fixed-Date Conformity Addition) and Line 5 (Refund or credit of income taxes included in federal taxable income) of Schedule 500ADJ. The return results in a balance due and the taxpayer is paying by EFT (Electronic funds Transfer).

Forms to include:

        Form 500
        Schedule 500A
        Schedule 500CR
        Schedule 500ADJ
        Schedule 500FED
        Form 1120
        Binary Attachment
             Conservation Tillage Equipment Credit

Test Scenario #15

FEIN 11-0000021

File a 2011 calendar tax year Virginia multistate corporate return, Form 500, with a change in the Accounting Period and Schedule 500A attached. There are Fixed-Date Conformity Additions and Subtractions, Code 50 (Wages and Salaries Eligible for the Federal Work Opportunity Tax Credit) and Code 60 (Gains from Land Preservation). The return results in a balance due which includes interest and/or penalty for the underpayment of estimated Virginia income tax.

Forms to include:

       Form 500
       Schedule 500A
       Schedule 500FED
       Schedule 500ADJ
       Form 500C

Appendix A – Business Rules for Tax Year 2012
Form 500

Rule Number	Business Rules
500-003	Federal Forms 1120, 1120F, 1120-POL, 990, 990EZ, 990N and 990PF must exist. PDF must exist when the Attaching PDF Checkbox is populated.
500-004	Tax Year must equal the current Tax Year being supported.
500-005	Begin Date and End Date are required when the return is a fiscal or short year return.
500-019	Schedule 500A is required when the Multistate Schedule 500A Checkbox is populated.
500-020	Schedule 500AC must exist when Combined – Schedule 500AC Attached Checkbox is populated.
	Tax return computation documentation must be present when Combined – Schedule 500AC Attached Checkbox is populated
500-032	Schedule 500ADJ must exist when Form 500 Lines 2 and/or 4 are populated.
500-036	Form 500 Line 7 must equal the sum of Lines 1 and 2 and minus the sum of Lines 4 and 6.
500-039	Form 500 Line 8c must equal Schedule 500A Section B Line 3c when Combined - Sch 500AC Attached Checkbox is not populated.
500-040	Form 500 Line 8d must equal Schedule 500A Section B Line 3e when Combined - Sch 500AC Attached Checkbox is not populated.
500-041	Form 500 Line 9 must equal .06 x Line 8a when Combined - Sch 500AC Attached Checkbox is not populated.
500-042	Form 500 Line 9 must equal .06 x Line 7 when Combined - Sch 500AC Attached Checkbox is not populated.
500-043	Form 500 Line 10 must equal to Schedule 500CR, Part XXX Line 134. Schedule 500CR must exist when Form 500 Line 10 is greater than zero.
500-044	Form 500 Line 11 must equal to Line 9 minus Line 10 when Corporate or Noncorporate Telecommunications Company and/or the Electric Supplier Company indicators are not populated.
500-047	Form 500 Line 14 must equal to Schedule 500CR, Part XXXIV Line 142. Schedule 500CR must exist if Line 14 is greater than zero.
500-048	Form 500 Line 15 must equal to Schedule 500ADJ Section D, Total Withholding.

Form 500

Rule Number	Business Rules
500-049	Form 500 Line 16 must equal the sum of Lines 12, 13, 14 and 15.
500-050	Form 500 Line 17 must equal Line 11 minus Line 16.
500-057	Form 500 Line 24 must equal Line 22 minus Line 23.
500-059	Vendor ID must be valid/approved.
500-061	Schedule 500AC must exist when Consolidated – Schedule 500AC Attached Checkbox is populated.
500-062	Schedule 500C must exist when Line 20 is populated with a value greater than zero.
500-063	Form 500 Line 20 must equal Schedule 500C, Line 17 when Line 20 is populated with a value greater than zero.
500-065	Schedule 500ADJ must be present when Amended Return checkbox is populated.
500-067	Schedule 500A must be present when Schedule 500A Changes checkbox is populated.
500-068	Schedule 500CR must be present when Nonrefundable or Refundable Credit Change checkbox is populated.
500-069	Schedule 500AB must be present when Schedule 500AB Changes checkbox is populated.
500-070	Form 500T and/or Schedule 500EL must be present when corporate or noncorporate telecommunications company and/or the electric supplier company indicators are populated.
500-071	FEIN cannot duplicate the FEIN of a previously accepted return for the tax year being filed.

Schedule 500A

Rule Number	Business Rules
500A-029	Schedule 500A Section A Line 1, Line 2, Line 3, Line 4, Line 5, Line 6 or Line 7 must be populated when Schedule 500A is present.
500A-030	Schedule 500A Section A Lines 2a and 2b must be populated when Section A, Line 2 checkbox is populated.
500A-031	Schedule 500A Section A Line 2a must equal to or greater than 07/01/2011 when Section A Line 2 checkbox is populated.
500A-032	If the Combined - Sch 500AC Attached Checkbox is not populated, Schedule 500A Section A, Line 3, Exception 1 or Exception 2 checkbox is populated when Motor Carriers Apportionable Income is not applicable with Schedule 500A Section B Line 1 populated.
500A-033	If the Combined - Sch 500AC Attached Checkbox is not populated, Schedule 500A Section B, Line 1 Column 3 Percentage must equal Column 2 divided by Column 1.
500A-034	If the Combined - Sch 500AC Attached Checkbox is not populated, Schedule 500A Section B, Line 2a Column 3 Percentage must equal Column 2 divided by Column 1.
500A-035	If the Combined - Sch 500AC Attached Checkbox is not populated, Schedule 500A Section B, Line 2b Column 3 Percentage must equal Column 2 divided by Column 1.
500A-036	If the Combined - Sch 500AC Attached Checkbox is not populated, Schedule 500A Section B, Line 2c Column 3 Percentage must equal Column 2 divided by Column 1.
500A-037	If the Combined - Sch 500AC Attached Checkbox is not populated, Schedule 500A Section B Line 2d must equal the Sales Factor percentage on Section B Line 2c times 2.
500A-038	If the Combined - Sch 500AC Attached Checkbox is not populated, Schedule 500A Section B Line 2e must equal the Sales Factor percentage on Section B Line 2c times 3.
500A-039	If the Combined - Sch 500AC Attached Checkbox is not populated, Schedule 500A Section B Line 2f must equal the sum of percentages in Section B Lines 2a, 2b and 2d Column 3 Percentages.
500A-040	If the Combined - Sch 500AC Attached Checkbox is not populated, Schedule 500A Section B Line 2f must equal the sum of percentages in Section B Lines 2a, 2b and 2e Column 3 Percentages.
500A-041	If the Combined - Sch 500AC Attached Checkbox is not populated, Schedule 500A Section B Line 2g must be the percentage amount equal to Section B Line 2f divided by the number 4 or the number 4 reduced by the number of factors, if any, having no denominator.
500A-042	If the Combined - Sch 500AC Attached Checkbox is not populated, Schedule 500A Section B Line 2g must be the percentage amount equal to Section B Line 2f divided by the number 5, or the number 5 reduced by the number of factors, if any, having no denominator.

Schedule 500A

Rule Number	Business Rules
500A-043	If the Combined - Sch 500AC Attached Checkbox is not populated, Schedule 500A Section B Line 3a must equal Form 500, Line 7.
500A-045	If the Combined - Sch 500AC Attached Checkbox is not populated, Schedule 500A Section B Line 3c, must equal Form 500, Line 8c.
500A-046	If the Combined - Sch 500AC Attached Checkbox is not populated, Schedule 500A Section B Line 3e, must equal Form 500 Line 8d.
500A-047	If the Combined - Sch 500AC Attached Checkbox is not populated, Schedule 500A Section B Line 3f, must equal the sum of Section B Lines 3b and 3c minus Section B Line 3e,
500A-048	If the Combined - Sch 500AC Attached Checkbox is not populated, Schedule 500A Section B 3g must equal Section B Line 3a less Section B Line 3f.
500A-049	If the Combined - Sch 500AC Attached Checkbox is not populated, Schedule 500A Section B Line 3h must equal Section B Line 3g x Section B Line 1 Col 3. If the Combined - Sch 500AC Attached Checkbox is not populated, Schedule 500A Section B Line 3h must equal Section B Line 3g X Section B Line 2g Col 3.
500A-051	If the Combined - Sch 500AC Attached Checkbox is not populated, Schedule 500A Section B Line 3j must equal Section B Line 3h plus Section B Line 3i.
500A-052	If the Combined - Sch 500AC Attached Checkbox is not populated, Schedule 500A Section B Line 3j must equal Line 8a of Form 500.

Schedule 500AB

Rule Number	Business Rules
500AB-011	Schedule 500AB Line 10 must equal Form 500ADJ Section A Line 3.

Schedule 500AC

Rule Number	Business Rules
500AC-005	All applicable columns for Affiliates must be populated on Schedule 500AC when Consolidated or Combined Checkbox is populated on page 1 of Form 500.

Schedule 500ADJ

Rule Number	Business Rules
500ADJ-007	Form 500ADJ Section A Line 3 is greater than zero, Schedule 500AB must exist.
500ADJ-010	Schedule 500ADJ Section A Line 7 must equal the sum of Lines 1-6c.
	Schedule 500ADJ Section A Line 7 must equal form 500 Line 2.
500ADJ-019	Explanation must be provided for Subtraction Code 99.
500ADJ-020	Schedule 500ADJ Section B Line 10 must equal the total of Lines 1 – 9c.
	Schedule 500ADJ Section B Line 10 must equal Form 500 Line 4.
500ADJ-022	Form 500 Line 15 must equal Schedule 500ADJ Section D-Schedule of VK-1 Withholding.
500ADJ-023	Explanation must be provided for Addition Code 99.

Schedule 500C

Rule Number	Business Rules
500C-001	Exception 3 Explanation Box must be populated when Form 500C Line 12 is populated.

Schedule 500CR

Rule Number	Business Rules
500CR-119	Schedule 500CR Part XXX Line 134 must equal the sum of all Nonrefundable credits being claimed.
500CR-120	Schedule 500CR Part XXX Line 134 must equal Form 500, Line 10.
500CR-121	Schedule 500CR Part XXXIV Line 142 must equal the sum of all Refundable credits being claimed.
500CR-122	Schedule 500CR Part XXXIV Line 142 must equal Form 500, Line 14.

Financial

Rule Number	Business Rules
FIN-001	Requested Payment Date is always required if State Payment is filed with the return.
FIN-011	State Payment identified as International ACH Transaction (IAT) is not eligible for e-File.
FIN-015	Bank Account Number cannot equal all zeros.
FIN-019	Bank Routing and Transit Number cannot equal all zeros.
FIN-033	For timely filed returns, the direct debit date must be on or before Return Due Date and must be in the current year.
FIN-034	Returns filed after Return Due Date, the direct debit date must equal to the Return Submit date and must be in the current year.
FIN-001	Payment Amount cannot exceed the amount owed and the amount owed must be greater than zero.

Appendix B – Displayed Acknowledgement Error
For Tax Year 2012 Rejects
Form 500

Rule Number	Displayed Acknowledgement Error
500-003	Federal return is missing.
500-004	Tax Year is incorrect.
500-005	Tax Begin Date and/or End Date is missing.
500-019	Schedule 500A is missing.
500-020	Schedule 500AC is missing.
	Tax return computation documentation is missing.
500-032	Schedule 500ADJ is missing.
500-036	Form 500 Line 7 does not equal the sum of Lines 1 and 2 minus the sum of Lines 4 and 6.
500-039	Form 500 Line 8c does not equal Schedule 500A Section B Line 3c.
500-040	Form 500 Line 8d does not equal Schedule 500A Section B Line 3e.
500-041	Form 500 Line 9 does not equal .06 x Line 8a.
500-042	Form 500 Line 9 does not equal .06 x Line 7.
500-043	Form 500 Line 10 does not equal Schedule 500CR Line 134.

Schedule 500CR is missing. |
| 500-044 | Form 500 Line 11 does not equal Line 9 minus Line 10. |
| 500-047 | Form 500 Line 14 does not equal Schedule 500CR Line 142

Schedule 500CR is missing. |
| 500-048 | Form 500 Line 15 does not equal to Schedule 500ADJ, Section D, Total Withholding.

Schedule 500ADJ is missing. |
500-049	Math error on Form 500 Line 16.
500-050	Math error on Form 500 Line 17.
500-057	Math error on Form 500 Line 24.
500-059	Invalid Vendor ID.
500-061	Schedule 500AC is missing.
500-062	Schedule 500C is missing.
500-063	Form 500 Line 20 does not equal Schedule 500C Line 17.
500-065	Schedule 500ADJ is missing.
500-067	Schedule 500A is missing.
500-068	Schedule 500CR is missing.
500-069	Schedule 500AB is missing.
500-070	Forms 500T and/or 500EL is/are missing.
500-071	FEIN cannot duplicate the FEIN of a previously accepted return for the tax year being filed.

Schedule 500A

Rule Number	Displayed Acknowledgement Error
500A-029	One of the Checkboxes in Schedule 500A Section A, Line 1, Line 2, Line 3, Line 4, Line 5, Line 6 or Line 7 should be marked.
500A-030	Schedule 500A Section A Lines 2a and/or 2b are blank.
500A-031	Schedule 500A Section A Line 2a is not equal to or greater than 07/01/2011.
500A-032	Schedule 500A Section B Line 1 is blank.
500A-033	Math error on Schedule 500A Section B Line 1.
500A-034	Math error on Schedule 500A Section B Line 2a.
500A-035	Math error on Schedule 500A Section B Line 2b.
500A-036	Math error on Schedule 500A Section B Line 2c.
500A-037	Math error on Schedule 500A Section B Line 2d.
500A-038	Math error on Schedule 500A Section B Line 2e.
500A-039	Math error on Schedule 500A Section B Line 2f.
500A-040	Math error on Schedule 500A Section B Line 2f.
500A-041	Math error on Schedule 500A Section B Line 2g.
500A-042	Math error on Schedule 500A Section B Line 2g.
500A-043	Schedule 500A Section B Line 3a does not equal Form 500, Line 7.
500A-045	Schedule 500A Section B Line 3c, does not equal Form 500, Line 8c.
500A-046	Schedule 500A Section B Line 3e, does not equal Form 500 Line 8d.
500A-047	Math error on Schedule 500A Schedule 500A Section B Line 3f.

Schedule 500A

Rule Number	Displayed Acknowledgement Error
500A-048	Math error on Schedule 500A Schedule 500A Section B Line 3g.
500A-049	Math error on Schedule 500A Section B Line 3h.
500A-051	Math error on Schedule 500A Section B Line 3j.
500A-052	Schedule 500A Section B Line 3j does not equal Line 8a of Form 500.

Schedule 500AB

Rule Number	Displayed Acknowledgement Error
500AB-011	Schedule 500AB Line 10 does not equal Form 500ADJ, Section A, Line 3.

Schedule 500AC

Rule Number	Displayed Acknowledgement Error
500AC-005	List of Affiliates is/are missing FEIN, Name and Address and Date on Schedule 500AC.

Schedule 500ADJ

Rule Number	Displayed Acknowledgement Error
500ADJ-007	Schedule 500AB is missing
500ADJ-010	Math error on Schedule 500ADJ Section A Line 7.
	Schedule 500ADJ Section A Line 7 does not equal Form 500 Line 2.
500ADJ-019	Explanation for the Subtraction Code 99 is missing.
500ADJ-020	Math error on Schedule 500ADJ Section B Line 10.
	500ADJ Section B Line 10 does not equal Form 500 Line 4.
500ADJ-022	Form 500 Line 15 does not equal Schedule 500ADJ Section D
500ADJ-023	Explanation for the Addition Code 99 is missing.

Schedule 500C

Rule Number	Displayed Acknowledgement Error
500C-001	Exception 3 Explanation Box is blank.

Schedule 500CR

Rule Number	Error Displayed Acknowledgement
500CR-119	Math error on Schedule 500CR Line 134.
500CR-120	Schedule 500CR Line 134 does not equal Form 500 Line 10.
500CR-121	Math error on Schedule 500CR Line 142.
500CR-122	Schedule 500CR Line 142 does not equal Form 500 Line 14.

Financial

Rule Number	Displayed Acknowledgement Error
FIN-001	Payment date is missing.
FIN-011	State Payment identified as International ACH Transaction is not eligible for e-File.
FIN-015	Error on Bank Account Number.
FIN-019	Error on Bank Routing and Transit Number.
FIN-033	Direct Debit date must be on or before Return Due Date.
FIN-034	Direct Debit date must be equal to the Return Submission date.
FIN-100	Error on Payment amount.

Appendix C – Software Developer Questionnaire for Tax Year 2012

Software Company Name: - _____

Software Product Vendor ID (NACTP Assigned #): - _____

Primary Contact: - _____

Primary Contact Phone #: - _____

Primary Contact E-mail Address: -_____

Primary Contact Mailing Address: - _____

Alternate or Other Contact Information: - _____

_____

Virginia Forms and Schedules supported/not supported by your software:

Forms/Schedules	Supported	Not Supported
Form 500		
Schedule 500AB		
Schedule 500AC		
Schedule 500ADJ		
Schedule 500A		
Schedule 500CR		
Schedule 500FED		
Form 500C		
Form 500T		
Form 500EL		

Specify any other software limitations related to the Virginia Forms and Schedules:

_____

_____

Describe briefly how your organization distributes software changes/updates to your customers, i.e. automatic daily updates via modem, Internet etc.

_____

_____

How many days normally elapse from the time your organization is notified of a software problem to the time you distribute a software change or update to your customers?

_____

_____

Do you provide some sort of software alert or other communication to inform your customers that a software change/update is available?

_____

_____

Describe briefly any other information, advice, or suggestions you think would be helpful in optimizing a problem resolution process between your organization and the Virginia Department of Taxation.

_____

_____

Thank you for your time, patience, and cooperation in completing this questionnaire